"There is something wrong with the priorities of a state that denies children health care."

Access to health care is a major worry for Washington citizens who want their loved ones to stay healthy. As Governor, I'm working to ease their concerns. My budget reflects my commitment to improving access to health care for Washington residents, and my drive to make sure all children have health care coverage by 2010.

We're already making progress in implementing "Healthy Washington" – my plan to reform health care in this state, increase access to health insurance and lower the cost of prescription drugs. This budget invests in that effort and ensures that our most vulnerable residents have access to health care.

My Budget for Improving Access to Health Care

- Puts children first. I'll make sure kids get the health care they need. My proposal provides health care coverage to an additional 46,700 children in low-income families.
- Maintains fundamental
 health services. The Basic
 Health Plan coverage is
 maintained for 100,000 people
 currently enrolled in the program.
 - I recognize the value of a strong public health system and my budget fully funds or expands public health services. Grants for community clinics also are maintained.
- Creates a common sense approach to prescription drugs. My plan funds a purchasing consortium that further consolidates drug purchasing opportunities to give uninsured or underinsured citizens access to affordable prescription drugs.

The Health budget is about 13% of the State General Fund, totaling \$4.6 billion with the Health Services Account



The Governor's Budget for Health Care

Put children first

Delays children's medical premiums. The current state budget assumes that families with incomes between 150 percent and 200 percent of the federal poverty level – and with children receiving Medicaid medical services – will be charged premiums for that medical care. The Governor's budget delays the premium through the 2005-07 Biennium, which ensures that 4,000 more children will get health care. \$8.9 million Health Services Account and GF-State

Removes the hassle factor from children's medical eligibility. Families with children receiving Medicaid coverage will re-qualify their children for coverage every 12 months instead of every six months, which has been the requirement since 2003. The change is expected to increase the number of children on Medicaid by nearly 26,000 because families often drop coverage to avoid frequent red tape. The Governor believes annual reviews are enough to ensure proper eligibility. \$32.8 million Health Services Account

Restores health coverage for immigrant children. The Governor's budget restarts the Children's Health Program for children of undocumented farm workers with incomes below 100 percent of the federal poverty level. Coverage for these children was eliminated in 2002. Restoring the program will provide 16,700 children with health care. \$17.5 million GF-State

Maintain fundamental health services

Keeps up with rising hospital costs. The Governor's budget increases state Medicaid reimbursement rates for hospitals, which have gone without a rate increase for several years. Increases will be staggered into three tiers, in accordance with a Washington State Hospital Association proposal, to provide the largest increases to those hospitals that are paid the least today. \$28 million GF-State, \$18.7 million federal

Retains Basic Health Plan coverage for all 100,000 current enrollees. The Governor's proposal maintains funding for existing Basic Health Plan enrollees, including 17,200 adults between 140 and 200 percent of the federal poverty level whose coverage was scheduled for elimination in the current budget. \$48.8 million Health Services Account

Increases investments in public health. Public health preventive strategies have been proven to yield a relatively high return on investment in the area of health care. In addition to fully funding public health services – from childhood vaccinations to protection of clean water – funds are added to provide for lead surveillance and tuberculosis control. \$800,000 GF-State

Preserves state grants to community clinics. Grants for community clinics across the state are maintained, preserving the health care safety net for the uninsured and underinsured in Washington who depend on clinics for primary medical and dental care. \$24.1 million Health Services Account

Create a common sense approach to prescription drugs

Broadens a prescription drug-purchasing consortium. Uninsured and underinsured citizens can buy prescription drugs through an evolving state program that obtains drugs more cheaply through joint drug purchases by three state health-purchasing agencies with a statewide Preferred Drug List. Also, further consolidated drug purchasing opportunities are explored – including opportunities to pool with other states. \$989,000 Health Services Account

Allows importation of drugs from other countries. The Governor is proposing legislation permitting Washington residents to import drugs from Canada, the United Kingdom and other countries. The costs of prescription drugs can be significantly reduced if Washington residents are allowed to import them from other countries.